

FY 2006 Appropriations -- NCUA

BACKGROUND

NCUA is an independent federal agency funded entirely by the credit unions it charters, supervises, and insures. As part of NCUA, the Central Liquidity Facility (CLF) uses the U.S. Treasury's Federal Financing Bank as its borrowing source, and appropriations legislation sets a borrowing cap for the CLF each fiscal year.

Congress also determines the level of CLF operating expenses each year. These administrative expenses do not come from appropriated funds, but are paid from the income earned by the CLF. For FY 2006, the administrative expense authority would be set at a limit of \$323,000.

Since FY 2001, Congress has provided annual appropriations for NCUA's Community Development Revolving Loan Fund (CDRLF). The CDRLF is used to provide loans and technical assistance grants to low-income designated credit unions.

President Bush unveiled his fiscal year 2006 budget on February 7, 2005. The Administration proposes that \$950,000 be available for the CDRLF for technical assistance grants that can be spent over two years. This is a proposed decrease in funding from fiscal year 2005, which was \$1 million, with \$200,000 for loans and \$800,000 for grants.

The borrowing authority ceiling for the CLF would be set at \$1.5 billion which was the same as fiscal year 2005.

LEGISLATIVE STATUS

U.S. House of Representatives

Chairman Johnson provided FY 2006 NCUA Budget Request [testimony](#) to the House Sub-Committee on Transportation, Treasury, and Housing and Urban Development, Judiciary, District of Columbia on April 29, 2005.

The subcommittee approved FY 2006 funding levels for its programs on June 15, 2005, and the full House Appropriations Committee approved the measure on June 21, 2005.

The Committee approved bill was presented to the full House for consideration on June 24, 2005, as [HR 3058](#) by Rep. Joe Knollenberg, Chairman of the House Appropriations Subcommittee on Transportation, Treasury, and Housing and Urban Development, Judiciary, District of Columbia. The Committee Report was filed as [House Report 109-53](#).

The House of Representatives approved the legislation on June 30, 2005, by a vote of 405-18.

U.S. Senate

Chairman Johnson provided FY 2006 NCUA Budget Request [testimony](#) to the Senate Appropriations Subcommittee on Transportation, Treasury, the Judiciary, Housing and Urban Development and Related Agencies on May 16, 2005.

The subcommittee approved FY 2006 funding levels for its programs on July 19, 2005, and the full Senate Appropriations Committee approved the measure on July 21, 2005.

The Committee approved bill was presented to the full Senate on July 26, 2005, as [HR 3058](#) by Senator Christopher “Kit” Bond, Chairman of the Senate Appropriations Subcommittee on Transportation, Treasury, the Judiciary, and Housing and Urban Development. The Committee Report was filed as [Senate Report 109:109](#).

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